

## **DEPARTMENT OF COMMERCE ACTIVITIES**

### **V. OVERVIEW OF FINANCIAL ASSISTANCE FUNCTIONS**

This section of the report summarizes the Department of Commerce (DOC) efforts to implement Public Law 106-107 (The Federal Financial Assistance Management Improvement Act of 1999). The DOC and its bureaus administered 64 grant programs and provided funding in the amount of \$1,638,349,652 during fiscal year 2004. The DOC is an active participant with other federal agencies that are contributing to the government-wide implementation of P.L. 106-107 to streamline, simplify, and automate the grants process. The Department's bureaus participate in many working groups with the P.L. 106-107 community providing significant support to achieving the vision of the grants process re-engineering effort envisioned by this streamlining effort. The following sections of this report summarize actions taken by DOC and its grant-making agencies.

### **VI. PARTICIPATION IN THE GOVERNMENT-WIDE STREAMLINING AND GRANTS.GOV EFFORTS**

- ◆ The Department of Commerce (DOC) demonstrated continued success in government efforts to develop a new electronic business model for grants management. DOC was one of the first agencies to receive the Grants.gov Goal Star for Find and Apply goals achieved in Fiscal Year 2005. The Director of the Office of Acquisition Management and Financial Assistance (OAMFA) served on the government-wide steering committee for Grants.gov. In addition OAMFA represented the Department at meetings of the Grants Management Line of Business and Grants.gov stakeholder meetings. OAMFA also serves on the Grants Policy Committee of the Chief Financial Officers Council.

#### **National Institutes of Standards and Technology (NIST)**

- ◆ Participated in the National Science & Technology Council Research Business Models Research and Related Terms and Conditions Workgroup.
- ◆ Participated as a Federal Program Agency representative on the Automated Standard Application for Payment (ASAP) Customer Board.
- ◆ Continued enrollment of recipient organizations with ASAP.

## **National Oceanic and Atmospheric Administration (NOAA)**

- ◆ On January 2005, Grants OnLine went live at NOAA. NOAA developed and is using the “system to system” interface directly with Grants.gov. For the first time NOAA is able to receive application data without having to manually enter the same data into its grants system, ensuring a more efficient Grants process.
- ◆ NOAA received an award from the Grants.gov community for its early adoption and participation with the development and implementation of Grants.gov.
- ◆ NOAA participated in the development and implementation of the Standard Form SF-424 R & R, for Research & Related applicants. This Standard Form was developed in an effort to standardize and streamline application submission from the Research Community.
- ◆ NOAA reduced the number of Program specific application forms from four to one form for NOAA-wide use.
- ◆ NOAA chaired the PL 106-107 Interagency Post-Award Workgroup's Performance Progress Report (PPR) Team. The team worked on five recipient reports. The goal in each case is to develop one government-wide form that can be used by all recipients, for: invention reporting; financial reporting; personal property reporting, real property reporting, and performance reporting. The invention reporting team has submitted an initial form to OMB for review. The financial reporting team responded to public comments on the initial form (which collapsed several currently approved OMB forms into one). The personal property reporting team worked on developing a form to report accountable personal property. The real property team circulated its draft form among agencies that authorize the purchase of land and/or buildings. Based upon significant input, the team's latest version is being reviewed by the Reports Working Group. The performance reporting team completed a proposed Personal Property Report (PPR) standard form to be used by federal agencies to collect performance information from recipients of federal funds. The PPR is based in part on OMB's Program Assessment Rating Tool (PART) used to assess and improve program performance so the Federal government can achieve better results. The proposed form is intended to address the concerns of recipients that federal agencies often collect the same, similar, or duplicative data in different forms and formats resulting in excessive burden and cost of reporting. Frequently, this information is not adequate to assess the performance of the program.
- ◆ NOAA participated in the Executive Office of the President's Office of Science and Technology Policy's ad hoc team regarding business practices to develop a simplified reporting form for scientific and other creative research.

- ◆ NOAA Grants OnLine submitted a proposal in response to an OMB request for information on the establishment of a common solution and target architecture for the Grants Management Line of Business.
- ◆ NOAA coordinated an effort to perform a Gap Analysis and to gather requirements of the other DOC bureaus to provide management with a baseline to make NOAA Grants OnLine the Department's Grants system.

#### **Economic Development Administration (EDA)**

- ◆ EDA participated in grants.gov Stakeholder Meetings during the time period. Information from the meetings was used to update senior management on accomplishments and future plans.

#### **Federal Assistance Law Division (FALD)**

Members of the Federal Assistance Law Division of DOC's Office of General Counsel participated in P.L. 106-107 Pre-Award Working Group activities. In particular, the division chief attended meetings of the working group, provided legal advice and comments in the development of general administrative terms and conditions that will be contained in Title 2 of the Code of Federal Regulations. These terms will be applied to grants and cooperative agreements on a government-wide basis.

### **VII. INTERNAL EFFORTS TO CREATE AN ENVIRONMENT CONDUCTIVE TO GRANTS STREAMLINING AND SIMPLIFICATION AND ASSESS IMPACT OF CHANGES**

#### **General Approach**

##### **NIST**

- ◆ Grants.gov is a link on the NIST Grants and Agreements Internal Web Page.
- ◆ All Federal Financial Opportunities (FFOs) that were posted were linked from the NIST Grants and Agreements Internal Web Page to Grants.gov, FIND.
- ◆ NIST regularly distributes an informational newsletter entitled SUCCEED.

##### **EDA**

- ◆ Outreach on the new Dun & Bradstreet Data Universal Numbering System (DUNS) and Central Contractor Registry (CCR) requirements was provided to contacts within each EDA regional office that in turn provided support to the applicant and partner communities. These external users were directed to EDA and grants.gov web sites as well. EDA internal support systems were modified to enable the capture of the new requirements.

- ◆ EDA participated in DOC-wide efforts to review policies for consistency with government-wide streamlining initiatives, including grants.gov and Grants Council meetings. EDA provided information for a DOC-wide grant re-engineering study that will be used to assess the best method for interfacing with grants.gov through a consolidated and standardized back-end system.

## **NOAA**

- ◆ Grants Online will have a minimal impact on the business rules for program management and for the Grants Management Division. However, even though the business rules will not change, the business processes will change in a significant and positive fashion.

### **1. OVERVIEW OF CHANGES IN GRANTS BUSINESS PROCESSES - The manner in which the grants business processes will change are:**

- ◆ NOAA will begin receiving a significant number of applications electronically from Grants.gov. DOC strongly encourages electronic application and Grants Online is completely paperless. All official documents and records will be maintained within the Grants Online database.
- ◆ All NOAA personnel who work with grants in any capacity are expected to use the Grants Online system to perform their duties. This includes NOAA senior management and staff who provide National Environmental Policy Act clearances and make final selections on competitive awards.
- ◆ The Grants Online workflow engine will push personnel to perform their duties in a timely fashion. User's individual tasks will be readily identifiable and an escalating system of notifications will ensure that tasks do not remain ignored for extended periods of time.

2. CHANGE MANAGEMENT – Transforming the culture of the grants community entails significant challenges. Movement from a paper based business process to an electronic environment will require new skill sets, critical thinking, and commitment to change. Gaining acceptance from internal and external customers will be integral to the success of Grants Online and the overarching change in the business process that accompanies it. NOAA is devoting considerable energy to educating its grants community about the new opportunities made available to our customers through electronic government initiatives such as Grants Online. We expect that at the end of the day, anxiety produced by the imperative to change will be overcome by the powerful new resources people recognize as being the centerpiece of Grants Online. 3. MITIGATION – Addressing change management issues involved several tools that were useful in promoting buy-in to the new environment by NOAA staff.

- ◆ EDUCATION - Extensive training was conducted over a several month period prior to the release of the system. Introductory Webinars were conducted for all personnel, as well as additional Webinar training for Budget Officers, attorneys, and other review and approval personnel. Extended live computer training was conducted for personnel who will be using Grants Online as a major part of their jobs, including all Grants Management Division personnel, most Program Officers, and Program Office staff. Newsletters were also an important education tool.
- ◆ HELP DESK - A help desk was available on the first day of system rollout from 8:00 AM to 8:00 PM Eastern Time. The help desk has a 3 tier escalation framework and extensive tracking capabilities to monitor the satisfaction of problem resolutions and determine trends that may require changes to software or documentation.
- ◆ As Grants Online rolled out, Just-in-Time training has been provided to the user community to reinforce the training they received earlier. Live Webinar training sessions were conducted and recorded for those personnel who are unable to attend the live sessions. Contractor training personnel were available in Silver Spring during normal working hours for two days per week during the first month of rollout for personal assistance and training.

Additionally, for remotely located personnel, personal Webinar sessions were conducted from contractor training personnel to provide nearly the same experience as the live help sessions. The Grants.gov program office at HHS provided several demonstrations to NOAA staff.

- ◆ The Grants Online team briefed over 200 program personnel as well as NOAA's CFO Council to explain the detailed plans for rollout and assistance. Additionally, during this briefing, the existing known issues with the system were described along with explanations for workarounds and plans for future system modifications.
  - ◆ Grants Online plans to continually change and improve in response to the evolving requirements of Congress and OMB. Business rules for the Department of Commerce and NOAA will also change in accordance with the dynamic environment within which we operate. Finally, system changes will be needed because there will be some missed requirements in the final delivery of the product. The change management process will be well planned and advertised to our user community.
  - ◆ A parallel effort to Grants Online is the year-long Business Process Reengineering (BPR) effort undertaken by NOAA to establish a new business strategy and operating model in the NOAA grants community. This project included training of approximately 60 NOAA and 40 other Department of Commerce staff in BPR techniques and completion of an Action Learning Module to prepare staff for the core project. A 90-day assessment was conducted of 8 administrative business areas in the 6 major Line Offices with trained staff. An assessment of the "As-Is- environment was completed to identify areas of duplication and redundancy as well as opportunities and recommendations for improvement. Currently the project is in Phase III involving design of "To-Be" processes focusing on budget formulation and execution, grants administration, the development of new business processes and an implementation plan. The final phase of the project will call for execution plan to implement new organization and business process changes along with evaluation, measurement and adjustment to the new business processes.
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- ◆ Complementing the NOAA BPR effort was a high level department-wide

survey in an effort to identify reengineering goals and objectives. The survey clearly indicated a need for human capital improvements and better coordination of the department's grant operations to facilitate DOC's transition to a streamlined integrated grants environment. Success of the department's BPR efforts is a critical element in the effort to accelerate implementation of electronic government initiatives.

## **VIII. IMPLEMENTING THE CHANGES AFFECTING THE PRE-AWARD PROCESS**

### **A. Grants.gov FIND:**

#### **NIST**

- ◆ NIST posted 4 FFOs on Grants.gov – all for discretionary grants programs and were competitive.

#### **NOAA**

- ◆ NOAA is in full compliance with OMB's Grants.gov FIND Policy (October 15, 2003).
- ◆ 100% of NOAA's 2005 and 2006 competitive programs are posted at Grants.gov. Application packages have also been posted for all FY 2006 competitive programs.
- ◆ As of June 30, 2005, NOAA has posted 150 application packages at Grants.gov.

#### **EDA**

- ◆ EDA posted three funding opportunity notices on Grants.gov, which covered 100% of the agency's program funds.

### **B. Announcement Template**

#### **NIST**

- ◆ 100% of the competitive FFO notices were posted in FY 2005.
- ◆ All FY 2005 NIST FFOs included instructions for electronically applying through Grants.gov APPLY.

## **NOAA**

- ◆ NOAA is in compliance with OMB's policy on Financial Assistance Program Announcements (June 23, 2003). All NOAA competitive programs are announced utilizing the template. NOAA has streamlined its announcement by publishing in the Federal Register an Omnibus Announcement (40 different programs). The full funding opportunity is posted at FedGrants.gov (e.g., organizational level at which issued).
- ◆ EDA followed the announcement template in all three published announcements. Some savings were achieved as a result of publishing a truncated (rather than a full) announcement in the Federal Register.

## **Grants.gov APPLY**

### **NIST**

- ◆ 39 electronic grant applications were received via Grants.gov APPLY.
- ◆ In FY 2005 NIST made great progress toward implementing the System-to-System interface with Grants.gov.

### **NOAA**

- ◆ NOAA provided in depth training for its applicant community regarding Grants.gov. Working closely with the Grants.gov staff, a test site was developed so that the applicant community could see the process of registering to business with Grants.gov through the download, completion, and submission of a grant application live on the Internet. NOAA was the first Federal agency to do this type of education and outreach to its grant community.
- ◆ As of June 30, 2005, NOAA has received 1,979 applications through the system to system interface between Grants.gov and NOAA's backend Grants OnLine system, during fiscal year 2005.

### **EDA**

- ◆ During the reporting period EDA developed major revisions in its regulations to conform to its new reauthorization legislation. Anticipated publication of those regulations in the near future will permit the agency to further the process of adapting its program requirements for the Grants.gov Apply function within a DOC-wide standard interface. EDA has already provided outreach on the DUNS and CCR registration requirements and made these



elements part of its existing back-end support system.

- ◆ EDA participated in the DOC-wide analysis performed under the grants business process re-engineering study.

## **VIII. OTHER**

### **NIST**

- ◆ NIST reviewed the new family of SF-424s and will make use of the forms in FY 2006.
- ◆ NIST reviewed the standard reporting format and data elements announced in the Federal Register and provided comments.

### **NOAA**

- ◆ NOAA submitted a business case (Form300B in response to the OMB request for the Grants Line of Business. Grants Online and the inclusion of the Department of Commerce and other Federal grant making agencies grant processing requirements with the NOAA's Grants Online project supports 3 of the agenda items cited in the President's Management Agenda. They are: Improved Financial Performance, Expanded Electronic Government, and Budget and Performance Integration. Through receipt of E-Grants data, Grants Online back-office administration directly relates to the Expanded Electronic portion of the President's Management Agenda. Grants.gov allows applicants of Federal grants to apply for and ultimately manage grant funds online through a common web site, simplifying grants management and eliminating redundancies in the Grants process. Grants Online will be NOAA's single unified back-end repository of NOAA specific grants data extracted from the Grants.gov system. Grants Online will eliminate the redundancy and reduce errors in the collection and storage of grants application data; making it compliant with the Government Paperwork Elimination Act. Grants Online also supports the E-commerce mandates of Public Law 106-107.

### **EDA**

- ◆ EDA attended a demonstration of NOAA's grants.gov solution (the Grants Online system) to assess its applicability to EDA programs and business workflows.

